

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners

DATE: January 18, 2017

FROM: Jeffrey P. Sheffel, City Attorney

SUBJECT: Proposed Agreement with PNC Bank for Refinancing of FFGFC Loan

I have reviewed the above-captioned agreement for form and legality, and the general business terms and other significant provisions are as follows:

- 1) Department/Office involved – Financial Services
- 2) Type of Agreement – Loan Agreement
- 3) Method of Procurement (RFP, bid, etc.) – “Best interest” exemption
- 4) Term of Contract
 - a) initial – 5 yrs.
 - b) renewals (if any) –
 - c) who exercises option to renew –
- 5) Contract Amount – Principal amount of the loan is \$8,595,000. Interest rate is 2.6%.
- 6) Termination rights – For cause only.
- 7) Indemnity/Insurance Requirements – City will indemnify Vendor.
- 8) Scope of Services – Vendor will make a loan to City to refinance the existing loan with First Florida Governmental Financing Commission.
- 9) City’s prior experience with Vendor – None.
- 10) Other significant provisions – This loan is proposed primarily to facilitate the termination of the existence of FFGFC.

cc: Wazir A. Ishmael, Ph.D., City Manager